

**Central Falls Detention Facility Corporation Meeting Minutes**  
**Thursday, August 30, 2012**  
**Wyatt Detention Facility Training Building**  
**935 High Street**  
**Central Falls, RI 02863**  
**6:00 P.M.**  
**TDD/TTY 401-727-7450**

A meeting of the Central Falls Detention Facility Corporation was held on the above date in the Training Building at 6:00p.m.

- 1) Call to order / Roll Call – 6:00 p.m.  
Members present: Director Romanowicz, Director St. Pierre, and Chairman Hartford

Absent: Director Tillinghast  
Director Adamo

- 2) Public Comment  
Former Mayor Thomas Lazieh questioned the Board regarding when the city will realize any revenues from the facility. Second, he questioned what the status of the property taxes is. Next, he stated that revenues are based on the population and questioned what the current population is and whether the population is increasing. Also he asked whether there is any interaction with the US Marshal Service or with Immigration on bringing inmates back to the facility. He asked the status of the new class and where that process was. He asked about revenue factors and whether there were any lawsuits that should be reported publicly. He requested that the Chairman schedule the next meeting prior to going into Executive Session.

Chairman Hartford commented that the priority of the members of the Board is getting revenues for the city. It still remains a challenge because of the status of our debt service and our reserve accounts and the fact that we are not in agreement at this point with the bondholders with releasing money for payment to the city until we meet certain conditions with respect to the debt requirements and we will continue to work towards that goal.

Representative McLoughlin a member of the Oversight Commission for Wyatt Detention Center stated that he has reservations with the food service contract. He has a lot of questions that need to be answered. Representative McLoughlin asked the Board to ensure that they exercise due diligence before going forward with the contract. He asked that the contract to be made null and void, if possible, until it is reviewed. He stated that he could not understand how two contracts could be the same with the exception that the selected one is fourteen (14) cents higher for each meal with a cost of \$120,000.00 more per year, especially taking into account Wyatt's financial situation. He asked the Board to look into this matter before they make a judgment call and a decision. Chairman Hartford commented that this item is on the agenda. He expects to hear a report from the CEO and will probably have questions. He mentioned that, since Representative McLoughlin brought up the Study Commission, the Board has authorized the implantation of one of the primary recommendations of the commission which is authorizing the second phase of the forensic audit and that this is currently on-going.

Chairman Hartford also took this time to recognize Mr. McJennett, the new Receiver for the City, who was present for the first time at the board meeting. He welcomed him and said that he looks forward to working with him.

Former Mayor Lazieh asked if there were any on-going discussions or actions possibly to refinance the bonds to a lower, more favorable rate.

Representative McLoughlin commented that he had met with State officials regarding the refinancing of the bonds. Chairman Hartford commented that he and other representatives of Wyatt have met with various members of the State and the discussions are on-going about trying to identifying strategies to refinance or restructuring the debt. He said that there is an on-going effort but he did not have anything to report in terms of progress.

3) Approval of minutes, 7/17/12

Motion made by Director St. Pierre to approve the minutes from 7/17/12; seconded by Director Romanowicz. All were in favor. Motion passed.

4) New Business –

A) Report of Finance Committee

Director St. Pierre thanked the staff for getting the report to him before the meeting. He said that unfortunately, the finance sub-committee wasn't able to meet prior to Board meeting. They will meet going forward. He had a question regarding the new class. He stated that it was approved to start the process and wanted to know where we are, how many applicants we had, and what we are planning to do. Mr. Fair, CEO, commented that he didn't believe that we were approved to start the class but he believes we were authorized to proceed with the process and go step by step. We have 32 applicants that made it through the physical testing and interview stages. We are in the process of doing the background checks of that group now. The next step, which is the expensive part, is the screening stage where they have to take the psych test and drug test. We usually start at 32 but typically end up with only around 17 or 18 finalists in the class. Director St. Pierre asked how many will we have if say the 17 made it through. The Warden told him he would review that number and give it to him in executive session.

Director St. Pierre asked if the consulting of \$70,000.00 this month was the initial payment to Almonte. Karen Casey stated that it was. Director St. Pierre asked why the cost of inmate programs and education seems to be up higher than we usually are at this time. Ms. Casey stated that it is a timing issue with the budget. She will give Director St. Pierre the break down at the sub-committee meeting. Director St. Pierre was comfortable with that.

Director St. Pierre commented on the security supplies cost of \$1200.00 this month. Nothing was budgeted. He will discuss more on this subject at the sub-committee meeting.

Director St. Pierre commented on the temporary/contract services. We're budgeted at \$19,000.00, but we are already at \$55,000.00. Mr. Fair, CEO commented that we voluntarily put our hiring of the CFO and Controller on hold and filled in with a temporary hire to work with Karen Casey. He recently left this position. One of the things that Mr. Fair will raise at the next finance committee

meeting is what we want to do in terms of our staff for the finance department. Chairman Hartford asked if there was corresponding savings on the salaries. Mr. Fair, CEO, stated that since he took over in 2009, we've incurred a savings of \$90,000 to \$100,000, by leaving the CFO position vacant. Director St. Pierre stated that the net was under budget, but actual salaries are over budget.

Chairman Hartford asked Director St. Pierre to make some general comments as to where we were regarding the budget and the expenditures. Director St. Pierre commented that, as far as the month of July, we are approximately \$250,000.00 over for debt service requirements for July. As far as expenses goes, the facility is trying to control it as much as possible but some things are out of our control, such as legal and bond issues. Director St. Pierre stated he thinks we are still at a short-fall of about \$2.5 to \$3 million short in the reserve account, which hasn't changed much in the last couple of months. Director St. Pierre stated that the finance sub-committee should work together to make sure that gets replenished. Chairman Hartford asked if we were actually over the budget for revenues for the month of July. Director St. Pierre said that this is correct. For the month of July, the facility had one of the higher ADP's of the year, which helped. Chairman Hartford asked what the ADP was in July. Director St. Pierre said that it was 665. June and July were our big months with June at 681 and July at 665. Director St. Pierre hopes to have better numbers at the next meeting, after he's had a chance to meet with the finance sub-committee. Chairman Hartford mentioned that the budget was based on an ADP of 680.

Chairman Hartford asked Mike Geezil if he had any comments on the finance report. Mr. Geezil referenced what Director St. Pierre said, which was, in June and July we earned more money than debt service. This is a change from the first five months of the year. Chairman Hartford asked if that was after meeting our expenses plus our debt services. Mr. Geezil said we earned \$250,000.00 for the month but that was a little skewed for July because \$145,000.00 was interest. The important thing is that we made more than our debt services in June and July. Second, some of the expenses are non-operational such as bond and legal expenses. The legal expenses were over \$400,000.00 for the first seven months. We also paid the Almonte fee in July. The last two months went really well, but the year-to-date (ADP) is something like 653. There has been a reduction in staff as people leave for higher paying jobs. Mr. Geezil also stated that salaries were over budget by \$150,000.00 for the first seven months, but the overtime is way down. Legal fees are a big problem.

Chairman Hartford asked Mr. Geezil what his understanding was regarding the salary issues. Mr. Geezil stated that he would need more information and would go over that at the finance meeting. Mr. Geezil stated that the budget, being based on an average population of 680, was not realistic. He said that we need to take a good look at the whole budget; we will wait to go over in finance meeting.

Mr. Fair, CEO, stated that by closing down the housing units when the detainee count is down will save five salaries per unit.

Chairman Hartford asked what the budget was for legal services. Mr. Geezil said that in-house legal services were budgeted at \$163,000.00 but the actual is \$432,000.00. Ms. Casey stated that close to \$200,000.00 of that was for the bondholders. Mr. Fair said that the bondholders charged \$193,000.00 so far. Ms. Casey added that the bondholders charged an additional \$64,000 in August that wasn't included in these numbers. Chairman Hartford said that they will

explore this further in Executive session because this involved legal strategy and confidential information.

Motion to accept the finance report was made by Director Romanowicz, seconded by Director St. Pierre. All were in favor. Motion passed.

B) Current Cash Report and Overview of Accounts Update

Chairman Hartford asked Mr. Fair, CEO if he wanted to comment. Mr. Fair deferred comment to Ms. Casey. Ms. Casey stated that as of today the fee and expense account has \$7,000.00. An additional \$40,000.00 was moved from the revenue fund to the fee and expense account to cover legal fees. The bond payment was made in August. The full \$730,000.00 was moved. The money was moved from the Capital Improvement Fund to help pay for the HVAC units. Mr. Fair said that he would discuss this further during discussion of the capital expenses.

Chairman Hartford asked Mr. Geezil if he looked at the report and if he had any comments. Mr. Geezil glanced at it but had no comments. No further comments were made by anyone else.

C) Approval of new food services contract

Chairman Hartford asked Mr. Fair, CEO if he wanted to comment. Mr. Fair deferred comment to Lea Ann Maupin. Ms. Maupin stated that they did not have a contract now, as they were asked to put the process on hold after the award notification. She said that they are asking the Board to approve the bid committee's selection. Chairman Hartford asked what the recommendation was. Ms. Maupin said that the committee recommends Aramark Correctional Services. Chairman Hartford asked Ms. Maupin to discuss the process. Ms. Maupin stated that the facility followed procurement law to the letter. There was a pre-bid conference and a tour of the facility. Questions arose and were answered in writing to the bidders. There was a list of criteria that had to be followed with a point system. A bid selection committee was organized, which included Tim Tapley, the Deputy Warden, Jean Singleton, the Director of Programs, and originally was to include the Health Services Administrator but because of scheduling she had to be replaced with Karen Casey, Accounting Manager. Ms. Maupin stated that she facilitated the process but did not vote on anything. The committee met over a three-day period and reviewed the bids, contacted references, and did a comparison of the two, and finally voted. Ms. Maupin did the actual scoring and Aramark had the higher score.

Director St. Pierre asked how they came up with the scoring system. Ms. Maupin produced a form. Attorney Lynch-Gadaleta asked if the form was the actual bid sheets from the process or a blank sheet, as she was concerned with potential litigation. She recommended that, if these were the actual scoring sheets, they reserve discussion until Executive session.

Representative McLoughlin commented that he was told by a constituent that the five references calls did not happen. He was told that Trinity was informed that their services were no longer needed.

Chairman Hartford said that this was consistent with the information at hand, since the facility had recommended another vendor and expected that the Board would approve their recommendation.

Representative McLoughlin added that he was told that Trinity's bid was fourteen (14) cents less per meal and didn't understand how Wyatt could afford it when they'd talked about how they had no money for the past eighteen months.

Chairman Hartford asked again for an overview of what the bid criteria was. Ms. Maupin explained that it was based on vendor-experience, meal-price, reputation and references of the company and the financial stability of the company. Chairman Hartford asked how long Trinity has been servicing the Wyatt. Ms. Maupin stated that the current contract was signed in 2007, but to her understanding they have been here since the facility opened or close to that.

Director St. Pierre asked whether we took our own reference into play, since they'd serviced us for the past ten years without any problems. Ms. Maupin explained that all bidders were subject to the same criteria of the bid. Director St. Pierre acknowledged understanding. Director Romanowicz restated Director St. Pierre's question. Ms. Maupin said that it was cited in the bid. Director Romanowicz said that before he made a decision, he wanted to see the bid sheets and have questions answered.

Attorney Lynch-Gadaleta recommended that Chairman Hartford defer an action until after they'd discussed the issue in Executive session or to determine if they needed more time than that to make a decision. Chairman Hartford concurred.

Chairman Hartford asked if the cost of service was compared. Ms. Maupin said that it was. She explained that when you compared the heart-healthy meals of both vendors, the results were very close. However, she said that Aramark's price was consistently lower until you got down to a population of 525 or less. Trinity did have the lower bid for a population of less than 525, but the committee felt that at such a low population, we'd have more problems than paying more for a price of a meal.

Director Romanowicz made his suggestion to put the information in a package and meet with the businesses to review the results so they'd understand how the decision was made. Chairman Hartford said that he would like to see the recommendation in writing and the foundation for that. He would like to see the basis for the judgment in writing before he decided whether to meet with the businesses, especially because there is a challenge and it's a sensitive issue. Chairman Hartford suggested that they wait until they get everything in writing before making any decisions even if that means we will have to have a special meeting.

Attorney Lynch-Gadaleta stated that they would need to meet no later than next week as time is of the essence due to the turnaround time. The contract was extended though the end of September, but it will take approximately 20 days for the transition. Otherwise it will be problematic for the transition.

Director St. Pierre asked, for clarity's sake, for confirmation that there was no signed contract at all for anyone at this point. Ms. Maupin stated that there was only an award notification announcement at this time. Attorney Lynch-Gadaleta said, to be crystal clear, there is a 30-day extension of a contract with Trinity.

Chairman Hartford asked if Representative McLoughlin had any comments. Representative McLoughlin stated he did not see the details of the bid or analysis on Aramark, but he did speak to one of the managers from Trinity. It is his understanding that the package as a whole, for one meal, came in at fourteen (14) cents under Aramark.

Chairman Hartford stated that he understood all of what Representative McLoughlin was saying and will keep that in the back of his mind when reviewing the recommendation of the staff. He also stated that he received the challenge letter so we know what those assertions are. Representative McLoughlin asked in reference to the heart healthy meal, whether there was a dietician present. Chairman Hartford stated that Health Services person was there originally and had some input as well.

Chairman Hartford deferred further discussion amongst Board members and the facility to Executive session. He said that a special meeting on this would be scheduled, if possible, for late next week.

Motion to table the agenda item for food service contract was made by Director St. Pierre, seconded by Director Romanowicz. All were in favor. Motion passed.

#### D) Review of Capital Projects

Michael Fair, CEO provided an update of the list of capital projects that were submitted to the bondholders for approval. He asked that this item be distributed and discussed in Executive session, as it applied to security-related equipment.

Chairman Hartford asked Mr. Fair to comment on the rooftop units. Mr. Fair said that the cost of the total package is \$261,000.000. We were able to get financing arrangement with the Trane, the contractor. We put \$119,000.00, from the capital expense account, up front with the option to finance over time. The financing will depend on how much money the bondholders are going to approve. We will wait until then to make an informed decision on whether to finance it or to pay it off.

Chairman Hartford asked if this was 1 or 2 units. Mr. Fair explained that it was eleven units total, on the original building. Director St. Pierre stated the balance is about \$142,000.00 and asked if we knew what the interest rate would be. Lea Ann Maupin explained that the Trustee had approved the expense up-front since the interest rate, which she didn't exactly recall, was too high. Chairman Hartford asked which account the money was coming from. Mr. Fair said that it was from the debt reserve account, but without penalty because the bondholders had approved the expense.

#### 5) Old Business No discussion.

#### 6) Reports of the CEO and/or Legal Counsel (as necessary); ADP update; and other matters.

Warden Murphy explained that the facility, in coordination with Labor, had conducted a back pack drive that was very successful. He commended Officer Rainville (FOP President) for his efforts in organizing the drive. He commended the entire staff for their generosity during this drive. Chairman Hartford asked who benefited from the supplies. Warden Murphy stated that the school supplies were donated to the schools in Central Falls.

Mr. Fair stated that we have completed the youth summer program. Ms. Pouliot explained the program. It was through SER Jobs for Progress Program and used focused on Central Falls youths.

Officer Rainville commented on the school supplies drive. The facility donated 43 backpacks with a total of approximately 460-470 items. He went on to highlight the generosity of the Wyatt staff, not just on this occasion, but whenever the need arises. At Thanksgiving last year, staff donated 50 turkeys and 460 food items to a local church. At Christmastime, the staff purchased gifts for a giving tree for DCYF, through their Toys for Teens program. Every single kid and then some received gifts due to the generosity of the staff of this building. He commented that it doesn't stop there. He is in discussion with his committee, and once he gets more particulars, he will meet with the management of the Wyatt. He'd like to arrange a Thanksgiving dinner in the training building for those who have nothing to eat on the Wednesday night before Thanksgiving. He estimated that the building has a staff of about 250 or so and commented that the generosity of the staff here is unparalleled. Anytime the City of Central Falls is in need, they know can turn to the Wyatt Detention Facility and the generosity of its staff to accommodate them. Director Romanowicz commented that this was not a short-term thing. It's been a long-term thing. The staff has always stepped-up. Chairman Hartford recognized the staff generosity.

Warden Murphy stated that the facility had a visit from the Navy and they were very happy and pleased with what they saw. Next week, we will be hosting the new Marshal of Rhode Island, Mr. Jamie Hainesworth.

Chairman Hartford allowed former Mayor Lazieh to comment. Mayor Lazieh inquired as to whether any of the monies allocated in the budget for payment to the City had been made to-date. Chairman Hartford stated that, to his understanding those payments have not been made. He commented that he expects that the Board members would get an update in Executive session and may have more information at the next board meeting. He hopes to have some conclusion on this issue, as it has been on the agenda for some time. There's a matter of dispute between the property owner, Wyatt, and the City. He has made efforts to resolve this in the past.

- 7) Next meeting:  
Wednesday, September 19, 2012 @ 6:00pm @ Wyatt Training Building
- 8) Executive Session pursuant to R.I. General Laws § 42-46-5 for the following purposes:
  - A. RIGL § 42-46-5(a)(2) and RIGL § 42-46-5(a)(4) for the purpose of reviewing issues regarding FOP representation of supervisory staff and litigation concerning the Wayne Salisbury matter; Ng; Cornell; Avcorr; Property tax bill; Forensic Audit.
  - B. RIGL § 42-46-5(a)(3) for the purpose of receiving an operational report from the CEO.
  - C. RIGL § 42-46-5(a)(1) Personnel
- 9) Adjournment